

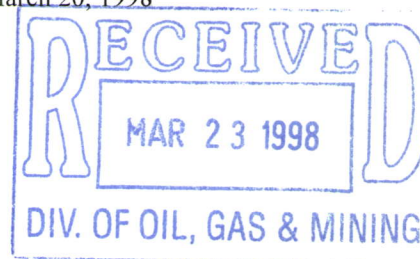
M/037/025

Umetco Minerals Corporation



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March 20, 1998



Mr. Anthony A Gallegos
Senior Reclamation Specialist
State of Utah Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

Re: **Notification of Suspension, Deremo-Peterson - M/037/025**

Dear Mr. Gallegos:

As requested in your letter to Umetco dated March 5, 1998, this letter is notice of suspension for the Deremo-Peterson Mine. The following information was also requested in the letter.

1. Description of the current surface disturbance at the site.

All surface structures have been removed, access roads have been closed, debris areas have been cleaned up, and the Peterson waste pile has been reshaped.

2. Measures in place at the site to minimize safety hazards and environmental harm.

All mine vents have been closed with the exception of the section 2.2 vent hole. This vent is secured by grating and fencing. All surface structures and debris have been removed.

3. Reclamation proposed at the site during the upcoming year.

During the upcoming year Umetco plans to place available topsoil on the Peterson waste pile and on other disturbed areas. Revegetation of disturbed areas is also planned.

4. Reclamation which has been performed at the site since going into suspension.

All mine vents have been closed with the exception of the section 2.2 vent hole, which has been closed to within 75 feet of the surface. All access roads and ore pads have been cleaned up, and the Peterson waste pile has been reshaped.

5. Estimate of the duration of the suspension period.

Mining operations were suspended in 1991. Present plans are for major reclamation construction to be completed in 1998, with revegetation to be completed in 2000.

If you have any questions, or need more information, please contact me at (970) 256-8881.

Sincerely,

Tony Bates
Mines Reclamation Manager